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Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-08-31
Investment Auto Submission Date: 2012-02-29
Date of Last Investment Detail Update: 2012-07-31
Date of Last Exhibit 300A Update: 2012-07-31
Date of Last Revision: 2012-08-31

Agency: 014 - Department of State   **Bureau:** 00 - Agency-Wide Activity

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: A-LM - Integrated Logistics Management System

2. Unique Investment Identifier (UII): 014-000000012

Section B: Investment Detail

1. **Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

   ILMS is the Department of State's enterprise-wide, supply chain management system. It is the Department's global logistics platform and supports the requisition, procurement, distribution, transportation, receipt, asset management, diplomatic pouch and mail, and tracking of goods and services both domestically and overseas. All goods and services procured by the Department of State are procured through and managed in ILMS to their final destination. Personal effects also move through ILMS. The customers are contracting officers, purchasing agents, General Service Officers, Foreign Service Officers, Locally Engaged Staff, diplomatic staff, and regional and functional domestic bureaus and 50 other foreign affairs agencies. ILMS is a shared service for diplomatic pouch and mail for and 50 other distinct national security and foreign affairs agencies, moving an average 1,100 pouches per day and delivering more than 11.5 million pounds of classified and unclassified mail annually. ILMS integrates end-to-end supply chain management Department-wide and serves as the Department's system of record for asset management. It integrates the Department's logistics management function with customers, vendors and finance. ILMS is integrated real time with the domestic financial system, GFMS, and with HR's IPMS. ILMS also integrates batch working capital fund transactions with the overseas financial system, RFMS. ILMS integrated with Diplomatic Security's CMMS in 2012 and designed and built the integration of trip requests with eServices. ILMS integrates with GSA's FPDS for the reporting of procurement

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transactions and with GSA's FAST for the reporting of Motor Vehicle Information. To date, ILMS has replaced 25+ legacy systems with an integrated solution that strengthens the Department's management capabilities, procuring $10B and moving 30K shipments annually. ILMS operations and maintenance currently supports nearly 25,000 users. The performance of the ILMS investment is a key indicator in the Bureau Strategic Plan in support of the Department's strategic goal of using of technology to enhance management. ILMS also aligns with the Joint Strategic Plan and the QDDR. Specifically, the QDDR calls for the Department to move toward modern tools and techniques, which will bring DoS into the 21st century. ILMS provides modern tools, visibility, and transparency based on COTS technology for enterprise wide supply chain management, positioning DoS as a federal leader.

2. **How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

 ILMS is the result of a business process re-engineering effort which identified an agency performance gap related to the use of non-integrated systems that resulted in significant process inefficiencies and duplicate entry across multiple systems, impacting the accuracy and integrity of data in the Department's financial management systems. Approved by the eGOV Board in 2001, following the Logistics Re-engineering Study commissioned by the Under Secretary for Management, the ILMS investment consolidates disparate business processes and systems, integrates end-to-end supply chain business processes and systems, reduces duplicate data entry, improves visibility and streamlines the DoS supply chain across the globe. ILMS was mandated for overseas use in 2007. By replacing 25+ legacy logistics management systems with one centralized enterprise system, ILMS has shortened the Department's supply chain from 12 months to 12 weeks and reduced in-transit time for diplomatic pouch and mail from 12 to 7 days (for about 1,100 pouches a day). ILMS implements critical internal controls and addresses a weakness identified by the OIG in the area of property management and improves the quality and timeliness of DoS financial data due to the integration of the requisition system, procurement system, and financial systems. About 60% of procurement orders are received in ILMS final receipt, automatically creating an asset when applicable, significantly improving internal controls and eliminating time spent on manual disposals and re-entry by automating asset transfer across Posts. The enterprise system has eliminated IT server maintenance at Posts for logistics management systems. Recently, the Department was asked to address FMR B-15 from GSA to implement a standard Fleet Management Information System to improve management, oversight and reporting of federal fleets. Remediation of a 2009 Internal Control Deficiency in grants administration is a key performance gap ILMS will address for overseas posts in BY13.   ILMS is fully deployed to 264 overseas posts and 32 Bureaus. In BY14, ILMS supports about 30,000 operational users including General Service Officers and Financial Management Officers and an additional 20,000 trip requesters. Uninterrupted O&M funding is required to maintain continuity of operations world-wide for procurement of $10 billion of goods and services, transportion of 30,000 shipments and delivery of 11.5 million pounds of mail annually.

3. **Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.**

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Completed overseas deployment of the integrated ILMS suite to 264 Posts (35 Posts in FY12). Piloted, stabilized and deployed Fleet Management Information System (FMIS) and Expendables modules to 54 and 48 Posts respectively (59 total anticipated), to address federal mandate and consolidate procurement of goods in one system of record. Helped IRM take inventory ownership for IT assets at 15 out of 29 Bureaus, improving accountability of IT assets at DoS. Designed and developed phase 1 integration with CMMS, to capture and track secure equipment in ILMS, the asset management system of record, improving internal controls. Designed and developed integration of trip requests with the Department's eServices tool, enabling a single portal for accessing DoS management systems. Implemented cyber security enhancements that enhance security of vendor data, security controls and auditability. Completed design and build for MA upgrade, and planning analysis for Ariba upgrade.

4. **Provide a list of planned accomplishments for current year (CY) and budget year (BY).**

Operations and maintenance of ILMS allows the Department to support the operational readiness of 264 overseas posts through the requisition, procurement, transportation, receipt, diplomatic pouch and mail and property management of all Department goods and services. About 25,000 users realize ongoing annual productivity savings. ILMS plans to pursue the following strategic initiatives in CY13 and BY14: CY13: -Continue deploying FMIS module for consolidating vehicle data into one system integrated with ILMS Asset Management, the asset system of record to support the Asset Management Corrective Action Plan and comply with a federal mandate for a Fleet Management System. In parallel, A/LM will deploy a new Expendables module (to replace legacy systems) and the Ariba Contracts module overseas. -Convert Diplomatic Security security equipment to ensure DS asset records are accounted for in ILMS and FFMIA compliant. -Design and build the COTS upgrade of Ariba to v9R1; test and implement the upgrade of Momentum Acquisitions to v6.6 to ensure vendor support for primary COTS platforms in ILMS. - As part of a federal initiative to improve the security of global supply chain operations, design integration between ILMS and Global IT Modernization Program (GITM), build a module within ILMS Asset Management to track security equipment assets that are Mine Resistant Ambush Protected. -To remediate a 2009 Internal Control Deficiency in grants administration, ILMS will design grants functionality so that the Department can allow overseas grants officers to capture the flow of funds in ILMS as a central web based tool for grants. - Utilize global data/metrics to identify cost efficiencies for the Department through supply chain analytics. BY14: - Complete global deployment of Expendables and Ariba Contracts. Also complete deployment of the FMIS to fully implement the DoS Vehicle Allocation Methodology and comply with GSA Bulletin FMR B-15. - Implement Ariba upgrade and move DoS to a supported vendor platform for ILMS procurement activities. - Design and Implement mobile devices and RFID for improved Asset tracking and inventory. - Design, build and test a Global Supply Chain dashboard to provide drill down analytics for monitoring the Department s supply chain. - Finish testing and deploy overseas grants functionality in support of digital diplomacy.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve**

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this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

2001-08-31

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Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding				
	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	$0.0	$0.0	$0.0	$0.0
DME (Excluding Planning) Costs:	$49.2	$11.6	$16.9	$8.4
DME (Including Planning) Govt. FTEs:	$0.0	$0.0	$0.0	$0.0
Sub-Total DME (Including Govt. FTE):	$49.2	$11.6	$16.9	$8.4
O & M Costs:	$77.3	$18.1	$20.8	$25.2
O & M Govt. FTEs:	$3.9	$2.0	$2.0	$2.0
Sub-Total O & M Costs (Including Govt. FTE):	$81.2	$20.1	$22.8	$27.2
Total Cost (Including Govt. FTE):	$130.4	$31.7	$39.7	$35.6
Total Govt. FTE costs:	$3.9	$2.0	$2.0	$2.0
# of FTE rep by costs:	36	16	16	16

Total change from prior year final President's Budget ($)		$0.0	$1.2	
Total change from prior year final President's Budget (%)		0.00%	3.10%	

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2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

Funding levels for PY12 and CY13 reflect Department funding cuts, resulting in a net decrease of approximately $5.460M in PY12.

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Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy											
Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value ($M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
		NONE									

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

With the exception of SAQMPD06FD15, earned value with comprehensive cost performance reporting is required on all task orders . Contract SAQMPD06FD115 provides for independent verification and validation (IV&V) of the work performed by the primary contractor developing and deploying ILMS. IV&V services are independent, but collaborative, to provide quality assurance of ILMS products and improve internal processes to produce quality outcomes. Because this work is not associated with specific deliverables or measured milestones, due to the cross-functional nature of the work, no EVM is required on the contract. NOTE PERTAINING TO CONTRACTS TABLE: The following task orders have been issued under the BPA award SAQMMA09A0173: SAQMMA11L0806, SAQMMA11L0765, SAQMMA11L0758, and SAQMMA11L0782. The most recent version of the FPDS-NG data dictionary indicates that, for data element 10A   Extent Competed, no entry is required or permitted. Rather, the extent competed value from the base record instrument   propagates forward to any Part 8 BPA calls. Thus, whether the base record is the FSS contract itself or the BPA, the BPA call inherits the extent competed code that it has in the base record. In this case, because the base record was fully and openly competed, task orders 0765, 0758, 0782 and 0806 also derive this status.

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Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-08-31

Section B: Project Execution Data

Table II.B.1 Projects					
Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost ($M)
10	Fleet Management Information System	Build, test and pilot ILMS module to support motorpool operations world-wide with one standardized web-based solution to manage the Department's global fleet including vehicle registration, employee management, dispatch, maintenance, fuel, and reporting and querying.			
12	ILMS Enhancement Management	Significant enhancements to ILMS modules, including external integration with DoS and other federal systems.			
24	Expendables	Build, test and pilot ILMS module for all Expendables orders. The module replaces the current WebPass Expendables module and builds required integration with Ariba for all Expendables orders.			
5	Overseas Integrated Deployments	ILMS Program Management Office (PMO) activities to support the integrated deployment of ILMS to new users at overseas Posts and deployment of new			

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		Table II.B.1 Projects			
Project ID	**Project Name**	**Project Description**	**Project Start Date**	**Project Completion Date**	**Project Lifecycle Cost ($M)**
		functionality including FMIS, Expendables and Ariba Contracts.			
9	Knowledge Discovery Tool	This project provides support to IRM for their implementation of a streamlined inventory method for identifying and tracking enterprise IT assets across the Department's network in direct support of IT consolidation with no manual intervention. Activities include on-going reconciliation and data-cleanup activities, integration support, and on-going knowledge transfer.			

		Activity Summary						
		Roll-up of Information Provided in Lowest Level Child Activities						
Project ID	**Name**	**Total Cost of Project Activities ($M)**	**End Point Schedule Variance (in days)**	**End Point Schedule Variance (%)**	**Cost Variance ($M)**	**Cost Variance (%)**	**Total Planned Cost ($M)**	**Count of Activities**
10	Fleet Management Information System							
12	ILMS Enhancement Management							
24	Expendables							
5	Overseas Integrated Deployments							
9	Knowledge Discovery Tool							

		Key Deliverables					
Project Name	**Activity Name**	**Description**	**Planned Completion Date**	**Projected Completion Date**	**Actual Completion Date**	**Duration (in days)**	**Schedule Variance (in days)**	**Schedule Variance (%)**
12	Integration with DoS systems (FY2011)		2011-09-30	2011-09-30	2011-09-30	364	0	0.00%

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				Key Deliverables				
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
12	Document Management Build and Test		2011-09-30	2011-09-30	2011-08-31	303	30	9.90%
12	Requirements analysis (FY2011)		2011-09-30	2011-09-30		364	-336	-92.31%
12	Ariba Upgrade Requirements Analysis (FY2011)		2011-09-30	2011-09-30		364	-336	-92.31%
10	FMIS Pilot (FY2011)		2011-09-30	2011-09-30	2011-09-30	364	0	0.00%
9	Delivery and transfer to operations (FY11)		2011-09-30	2011-09-30	2011-09-30	270	0	0.00%
24	Perfective Enhancements		2012-09-28	2012-03-30		361	28	7.76%
5	Overseas Travel		2012-09-28	2012-09-28		361	0	0.00%
5	Deployment of integrated solution to sites		2012-09-28	2012-09-28		361	0	0.00%
5	Change Management		2012-09-28	2012-09-28		361	0	0.00%
12	Development and test (FY2012)		2012-09-30	2012-09-30		365	0	0.00%
12	Ariba Upgrade Development and Test (FY2012)		2012-09-30	2012-09-30		365	0	0.00%
10	Stabilization and integration (FY2012)		2012-09-30	2012-12-31	2011-12-30	365	275	75.34%
12	Integration with DoS systems (FY2012)		2012-09-30	2012-09-30		365	0	0.00%

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Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
Average number of prior year acquisitions reported per post	Number	Mission and Business Results - Management of Government Resources	Under target	5.000000	3.000000	1.580000	3.000000	Semi-Annual
Average number of prior year disposals reported per post	Number	Mission and Business Results - Management of Government Resources	Under target	5.000000	3.000000	0.150000	3.000000	Semi-Annual
Percentage of survey respondents who are "satisfied" or "very satisfied" overall	Percent	Customer Results - Customer Benefit	Over target	85.000000	90.000000	94.900000	92.000000	Monthly
Percent of workflow issues that are fixable by configuration changes	Percent	Process and Activities - Management and Innovation	Over target	80.000000	85.000000	96.000000	85.000000	Semi-Annual
Percent savings off of MSRP for office supplies due to strategic sourcing	Percent	Mission and Business Results - Management of Government Resources	Over target	15.000000	18.000000	19.500000	20.000000	Semi-Annual
ILMS availability as percent of uptime excluding planned outages	Percent	Technology - Reliability and Availability	Over target	99.000000	99.000000	99.900000	99.000000	Monthly
Percentage of rejected transactions due to incorrect entry of fiscal data strip	Percent	Technology - Information and Data	Under target	25.000000	20.000000	1.000000	18.000000	Semi-Annual
Percent of purchase orders that posts receive using final receipt to capture accountable assets in	Percent	Mission and Business Results - Management of Government Resources	Over target	50.000000	65.000000	33.000000	35.000000	Semi-Annual

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Table II.C.1 Performance Metrics								
Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
inventory								